No Objection To Declassification in Full 2011/04/28 : LOC-HAK-78-3-4-8

MEMORANDUM

NATIONAL SECURITY COUNCIL

INFORMATION

August 1, 1975

MEMORANDUM FOR: GENERAL SCOWCROFT

FROM: CLINTON A. GRANGER

SUBJECT: Notification to Congress on Arms Sales Over $25 Million

We have learned that Under Secretary Sisco has embargoed notification to Congress on all FMS cases over $25 million until Congress returns from recess in September. Under current legislation, such sales proposals must sit before Congress for twenty days, but these are calendar days and run regardless of the recess. We understand that Mr. Sisco wants to avoid the impression that we are attempting to circumvent Congressional consideration by submitting the cases during the present recess. I think there is considerable merit in Mr. Sisco's action, although some exceptions may be indicated on a case-by-case basis.

DSAA has compiled a list of affected cases and possible consequences to recipient nations of delay (attached). The consequences in several cases may be serious: for example, in the case of F5Es for Thailand, delay will result in a break in production and price increase.

We understand that State regional bureaus are preparing a memorandum to Mr. Sisco recommending that less controversial cases be sent forward during the recess if delay will have serious repercussions. We will keep you informed.

DOS REVIEWED 21 MAR 2011 NO OBJECTION TO DECLASSIFICATION

OSD REVIEWED 22-Mar-2011: NO OBJECTION TO DECLASSIFICATION.

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DEFENSE SECURITY ASSISTANCE AGENCY
WASHINGTON, D. C. 20301

29 JUL 1975

MEMORANDUM FOR GENERAL FISH

Nelson Amendment

SUBJECT: FMS Cases over $25 Million in Coordination or Projected for Notification of Congress During the Month of August 1975

CASES IN COORDINATION

Department	Country	Description of Articles	Estimated $ Value (Million)	Impact of Delay to Congress
Army (75-33)	Saudi Arabia	Conventional Ammunition	26.5	See Note 1 *
Navy (75-36)	Iran	Contractor Services F-14	197.0	See Note 2 *
Army (75-37)	Saudi Arabia	Al Batin Cantonment	1450.0	See Note 3
Air Force (75-38)	Korea	18 F4D Aircraft	46.5	See Note 4
Army (75-39)	Saudi Arabia	207 (V150) Armored Cars	35.5	See Note 5 *
Army (75-40)	Jordan	15 I Hawk Batteries & 532 missiles	256.5	See Note 6
Army (76-1)	Kuwait	I Hawk Support Services	55.8	See Note 7 *

CASES PROJECTED FOR MONTH OF AUGUST 1975

Army	Kuwait	I Hawk Training	28.7	See Note 8
Army	Morocco	Dragon missiles	49.9 ?	None
Army	Iran	Conventional Ammunition	125.0	None

AMERICAN REVOLUTION BICENTENNIAL 1776-1976

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Department	Country	Description of Articles	Estimated $ Value (Million)	Impact of Delay to Congress
Army	Iran	36 214A Helicopters	50.0	None
Army	Germany	High Performance Acquisition Radars	27.8	None
Army	Saudi Arabia	Amendment to the Naval Expansion Program	150.0	See Note 9
Navy	Iran	Harpoon missiles for P-3F	35.0	See Note 10
Navy	Iran	Harpoon missiles for Surface Ship	37.5	See Note 11
Navy	Iran	Harpoon for Fast Patrol Boat (FPB)	52.9	See Note 12
Navy	Kuwait	AIM-9 Sidewinder Missiles	30.0	See Note 13
Navy	Korea	Harpoon Missiles	80.0	See Note 14
Air Force	Thailand	13 F5-E Aircraft	64.9	See Note 15
Air Force	Korea	F5A/F	230.0	

NOTES:

(1) The delay of this case will probably cause a restatement of the case with a resulting price increase.

(2) If timely contractor support is not provided under this case, the entire Iranian F-14 program will be delayed. In addition, a delay will probably require a repricing of the Letter of Offer resulting in an overall price increase for this program.

(3) A delay in approval of this case will delay the start of construction of this phase of the program.

(4) These aircraft are currently bailed to the Government of Korea until 6 September 1975. A delay of 45 days beyond 6 September 1975 would cost the customer approximately $440 thousand dollars in bailment fees.

(5) The delay of this case will prevent procurement action under current production run. Further, the delay of this case will delay the modernization program of the Saudi National Guard. This case was part of the overall modernization of the Saudi National Guard submitted to Congress prior to the current reporting requirement.

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(6) The delay of this case will delay the operational readiness of this Air Defense System.

(7) This case is for the overall support of the I Hawk Air Defense System. A delay in this case will result in a delay in the operational capability of this system.

+ P/M

(8) The delay of this training will delay operational capability of the I Hawk Air Defense System for Kuwait.

(9) Will delay start of construction on this phase of the Naval Expansion Project.

(10) The delay of this case will delay fully operational capability of the P-3F aircraft. The P-3F aircraft have already been delivered to Iran.

(11) The missiles for this case are closely tied to the economic production run for missiles for the P-3F aircraft and the Fast Patrol Boats.

(12) The Fast Patrol Boats are to be delivered to Iran in the near future and therefore, a delay in this case could delay the operational capability of this system.

* (13) The price and availability for this case expires 1 September 1975. A delay in this case will require repricing and probably result in price increases.

(14) The delay of this case could seriously delay the operational capability of the PSMM Patrol Boat currently under construction for the Koreans.

(15) The Letter of Offer on this case expires 15 September 1975. The delay in this case will cause a production line break and an increase in prices.

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